Binding Authority Complaints Endorsements Bulletin

The suite of complaints endorsements that append to Binding Authority Agreements (BAAs) LMA3113/3a/4/5 have been updated by Lloyd's to reflect changes in the FCA's reporting requirements and the expected shift from a two-stage to a one-stage complaints process for certain territories (LIC are considering amendments for the CAA and an update will be provided shortly).

Changes are not the same for all territories so please refer to the table at the end of this bulletin for the exact detail of what has changed and for where. All new and updated complaints endorsements listed in the table are available on the LWR now.

Key Points to Note:

UK, Singapore & Hong Kong

1. The FCA have including the proposal to remove the two-stage complaints handling process for the UK, Singapore & Hong Kong in their quarterly consultation - CP26/32: Quarterly consultation paper No. 53 | FCA – with a response deadline of the 12th October and a decision expected late October. It is anticipated that the FCA will approve the removal of the two-stage process allowing any BAAs incepting from 1st January 2027 onwards to utilise the one-stage process.
2. As FCA approval to remove the two-stage process is still pending Lloyd's has prepared some options for managing agents who are preparing their 01/01 BAAs now:

   a) **BAA renews or incepts 1st January 2027 and managing agent wishes to stick with the two-stage process for the time being, regardless of whether the FCA approve its removal.**

   Existing complaints endorsements for the existing two-stage complaints process in the UK, Singapore and Hong Kong have been updated to incorporate the new FCA reporting requirements that take effect from 1st January 2027 – these *updated endorsements* should be used for any binder incepting or renewing 1st January 2027 where the managing agent wishes to continue with the two-stage process for the time being. Note that if the removal of the two-stage process is approved by the FCA Lloyd's will require all BAAs to move across to the one-stage process in due course and will provide a date by which all BAAs should be using the one-stage process once approval is received from the FCA.

   b) BAA renews or incepts 1st January 2027 and managing agent wishes to move to the one-stage process as soon as possible.

   New complaints endorsements for the one-stage process in the UK, Singapore and Hong Kong, also incorporating the new FCA reporting requirements, have been drafted and *can* be included in *draft* BAAs that renew or incept from on 1st January 2027, but if the FCA do not approve removal of the two-stage process the endorsement for the one-stage process must be removed from the draft BAA and replaced with the updated two-stage endorsements detailed in option 'a' above. Note any draft BAA including the new one-stage endorsement cannot be signed until Lloyd's communicate that the FCA have approved removal of the two-stage process.

c) **BAA renews or incepts before 1st January 2027.**

   The existing endorsements can be used but if the managing agent wishes to incorporate the new FCA reporting requirements early the updated endorsements for the two-stage process as detailed in option ‘a’ above can also be used. The endorsements for the one-stage process must NOT be used.

d) **BAA is in-force at 1st January 2027 but doesn’t renew until after this date.**

   Annual BAAs in-force at the 1st January 2027 when the new FCA reporting requirements come into force do NOT have to be amended mid-term but at their renewal date managing agents have a choice as indicated in option ‘a’ or option ‘b’ above.

   If the BAA is a multi-year or continuous contract it will need to be amended mid-term, to reflect the new FCA reporting requirements, following option ‘a’ or option ‘b’ above.

   While there is no requirement from Lloyd’s for annual BAAs to be amended mid-term or a specific date set by which multi-year or continuous BAAs should be amended, managing agents should bear in mind that they still have a requirement to report data to Lloyd’s from 1st January 2027 and should consider whether they are still able to meet these requirements without updating in-force binders mid-term.

3. Managing agents should bear in mind that moving to a one-stage process will require changes to the policy documentation issued to the policyholder.

International

4. International complaints already follow a one-stage complaints process and existing endorsements have been updated to reflect the new FCA reporting requirements and must be used on all BAAs incepting or renewing from 1st January 2027 onwards.

5. Annual BAAs in-force at the 1st January 2027, when the new FCA reporting requirements come into effect, do NOT have to be amended mid-term but at their renewal date. If the BAA is a multi-year or continuous contract it will need to be amended mid-term, to reflect the new FCA reporting requirements.

   While there is no requirement from Lloyd’s for annual BAAs to be amended mid-term or a specific date set by which multi-year or continuous BAAs should be amended, managing agents should bear in mind that they still have a requirement to report data to Lloyd’s from 1st January 2027 and should consider whether they are still able to meet these requirements without updating in-force binders mid-term.

Australia & New Zealand

6. Australia & New Zealand have already agreed to move to a one-stage complaints process and new endorsements, also incorporating the new FCA reporting requirements, have been published and must be used on all BAAs incepting or renewing from 1st January 2027 onwards. Existing Australia & New Zealand endorsements for the two-stage process will be withdrawn on 31st December 2026.

7. Managing agents can chose to use the new one-stage endorsements before 1st January 2027 but they MUST speak to Lloyd's before doing so.
8. Managing agents should bear in mind that moving to a one-stage process will require changes to the policy documentation issued to the policyholder.

Canada

9. Canada will continue with a two-stage complaints process therefore existing endorsements have been updated to reflect only the new FCA reporting requirements, and the updated endorsements must be used on all BAAs incepting 1st January 2027 onwards.
10. Annual BAAs in-force at the 1st January 2027, when the new FCA reporting requirements come into effect, do NOT have to be amended mid-term but at their renewal date. If the BAA is a multi-year or continuous contract it will need to be amended mid-term, to reflect the new FCA reporting requirements.

    While there is no requirement from Lloyd's for annual BAAs to be amended mid-term or a specific date set by which multi-year or continuous BAAs should be amended, managing agents should bear in mind that they still have a requirement to report data to Lloyd's from 1st January 2027 and should consider whether they are still able to meet these requirements without updating in-force binders mid-term.

General (applicable to all)

11. New and updated references now commence with an 'RDW' prefix – this indicates that Lloyd's are the owner/author of the wording and control the content and requirements for usage. The LMA's role in any RDW wording is simply to publish them on the LWR. Lloyd's has always been the owner of the suite of BAA complaints endorsements but it is only now they are being updated to include the correct prefix.
12. For the suite of BAA complaints endorsements ownership will soon shift to the LMA as all complaints language will be encompassed in the Computable Binding Authority Agreement (CBAA) – the LMA will continue to liaise with Lloyd's on their requirements for BAA related complaints. If you would like to find out more about how complaints will be addressed in the CBAA a webinar is being held on Tuesday 22nd September 14:00 – 15:00 – please contact matthew.logue@lmalloyds.com for more information and to register if you haven't already done so.
13. For the avoidance of doubt once a binder switches to the CBAA model wording these complaints endorsements will not be used but instead the CBAA complaints language/approach will be used.
14. All queries relating to the suite of BAA complaints endorsements should be addressed to Lloyd's at dataandoversight@lloyds.com.
15. In addition to the CBAA complaints webinar the LMA will be hosting a more general Q&A session (in collaboration with Lloyd's) to answer any questions regarding the updated suite of complaints endorsements via Teams on Wednesday 16th September 14:00 – 14:30 – please contact matthew.logue@lmalloyds.com to register.

Table of BAA Complaints Endorsements

	Current Ref	New Ref	Title	Update existing / create new?	LWR Notes for users
1	LMA5295B	**RDW5295C**	UK Complaints - Full Authority Two Stage	Update	RDW5295C has been published by Lloyd's in response to the FCA reporting requirement changes, effective 01 January 2027 and replaces LMA5295B from 01 January 2027. The wording reflects the two stage process, ie review and response by managing agent, or their representative, followed by a review by Lloyd's prior to escalation to an external dispute resolution service. It is to be used in conjunction with the model binding authority wording and managing agents are obliged to use this form of words.
2	NEW	**RDW1008**	UK Complaints - Full Authority One Stage	New	RDW1008 has been published by Lloyd's in response to the FCA reporting requirement changes and the removal of the two stage process, effective 01 January 2027. The wording reflects the one stage process, ie review and response by managing agent prior to escalation to an external dispute resolution service. **NB This wording should not be used until Lloyd's has confirmed that the FCA has approved the removal of the two-stage process.** It is to be used in conjunction with the model binding authority wording and managing agents are obliged to use this form of words.
3	LMA5296B	**RDW5296C**	UK Complaints - No Authority	Update	RDW5296C has been published by Lloyd's in response to the FCA reporting requirement changes, effective 01 January 2027 and replaces LMA5296B from 01 January 2027. The coverholder does not have authority to handle the complaint. It is to be used in conjunction with the model binding authority wording and managing agents are obliged to use this form of words.

4	LMA5297B	**RDW5297C**	UK Complaints - SRC Authority Two Stage	Update	RDW5297C has been published by Lloyd’s in response to the FCA reporting requirement changes, effective 01 January 2027 and replaces LMA5297B from 01 January 2027. The wording reflects the two stage process, ie review and response by managing agent, or their representative, followed by a review by Lloyd's prior to escalation to an external dispute resolution service. The coverholder has authority to resolve complaints informally only via a Summary Resolution Communication. It is to be used in conjunction with the model binding authority wording and managing agents are obliged to use this form of words.
5	NEW	**RDW1009**	UK Complaints - SRC Authority One Stage	New	RDW1009 has been published by Lloyd’s in response to the FCA reporting requirement changes and the removal of the two stage process, effective 01 January 2027. The wording reflects the one stage process, ie review and response by managing agent prior to escalation to an external dispute resolution service. The coverholder has authority to resolve complaints informally only via a Summary Resolution Communication. **NB This wording should not be used until Lloyd's has confirmed that the FCA has approved the removal of the two stage process.** It is to be used in conjunction with the model binding authority wording and managing agents are obliged to use this form of words.
6	LMA5300A	**RDW5300B**	Singapore Complaints - Full Authority Two Stage	Update	RDW5300B has been published by Lloyd’s in response to the FCA reporting requirement changes, effective 01 January 2027 and replaces LMA5300A from 01 January 2027. The wording reflects the two stage process, ie review and response by managing agent, or their representative, followed by a review by Lloyd's prior to escalation to an external dispute resolution service. It is to be used in conjunction with the model binding authority wording and managing agents are obliged to use this form of words.

7	NEW	**RDW1007**	Singapore Complaints - Full Authority One Stage	New	RDW1007 has been published by Lloyd's in response to the FCA reporting requirement changes and the removal of the two stage process, effective 01 January 2027. The wording reflects the one stage process, ie review and response by managing agent prior to escalation to an external dispute resolution service. **NB This wording should not be used until Lloyd's has confirmed that the FCA has approved the removal of the two stage process.** It is to be used in conjunction with the model binding authority wording and managing agents are obliged to use this form of words.
8	LMA5301A	**RDW5301B**	Singapore Complaints - No Authority	Update	RDW5301B has been published by Lloyd's in response to the FCA reporting requirement changes, effective 01 January 2027 and replaces LMA5301A from 01 January 2027. The coverholder does not have authority to handle the complaint. It is to be used in conjunction with the model binding authority wording and managing agents are obliged to use this form of words.
9	LMA5662	RDW5662A	Hong Kong Complaints - Full Authority Two Stage	Update	RDW5662A has been published by Lloyd's in response to the FCA reporting requirement changes, effective 01 January 2027 and replaces LMA5662 from 01 January 2027. The wording reflects the two stage process, ie review and response by managing agent, or their representative, followed by a review by Lloyd's prior to escalation to an external dispute resolution service. It is to be used in conjunction with the model binding authority wording and managing agents are obliged to use this form of words.

10	NEW	RDW1005	Hong Kong Complaints - Full Authority One Stage	New	RDW1005 has been published by Lloyd’s in response to the FCA reporting requirement changes and the removal of the two stage process, effective 01 January 2027. The wording reflects the one stage process, ie review and response by managing agent prior to escalation to an external dispute resolution service. **NB This wording should not be used until Lloyd's has confirmed that the FCA has approved the removal of the two stage process.** It is to be used in conjunction with the model binding authority wording and managing agents are obliged to use this form of words.
11	LMA5663	RDW5663A	Hong Kong Complaints - No Authority	Update	RDW5663A has been published by Lloyd’s in response to the FCA reporting requirement changes, effective 01 January 2027 and replaces LMA5663 from 01 January 2027. The coverholder does not have authority to handle the complaint. It is to be used in conjunction with the model binding authority wording and managing agents are obliged to use this form of words.
12	LMA5306A	RDW5306B	International Complaints - Full Authority One Stage	Update	RDW5306B has been published by Lloyd’s in response to the FCA reporting requirement changes, effective 01 January 2027 and replaces LMA5306A from 01 January 2027. The wording reflects the one stage process, ie review and response by managing agent prior to escalation to an external dispute resolution service. It is to be used in conjunction with the model binding authority wording and managing agents are obliged to use this form of words.

13	LMA5307A	RDW5307B	International Complaints - No Authority	Update	RDW5307B has been published by Lloyd's in response to the FCA reporting requirement changes, effective 01 January 2027 and replaces LMA5307A from 01 January 2027. The coverholder does not have authority to handle the complaint. It is to be used in conjunction with the model binding authority wording and managing agents are obliged to use this form of words.
14	LMA5548A	N/A	Australian Complaints - Full Authority Two Stage	To be withdrawn	Not to be used after 31st December 2026
15	NEW	RDW1004	Australian Complaints - Full Authority One Stage	New	RDW1004 replaces LMA5548A with effect from 01 January 2027. Managing Agents may adopt it earlier (i.e., before 01 January 2027), however Managing Agents wishing to adopt early, must contact Lloyd's Australia first. The wording reflects the one stage process, i.e. review and response by the coverholder, prior to escalation to an external dispute resolution service. It is to be used in conjunction with the model binding authority wording where the coverholder has full complaints authority and managing agents are obliged to use this form of words.
16	LMA5305	RDW5305A	Australian Complaints - No Authority	Update	RDW5305A replaces LMA5305 with effect from 01 January 2027. Managing Agents may adopt it earlier (i.e., before 01 January 2027). The wording reflects the one stage process, i.e. review and response by managing agent, or their representative, prior to escalation to an external dispute resolution service. It is to be used in conjunction with the model binding authority wording where the coverholder has no complaints authority and managing agents are obliged to use this form of words.
17	LMA5302A		New Zealand Complaints - Full Authority Two Stage	To be withdrawn	Not to be used after 31st December 2026

18	NEW	RDW1006	New Zealand Complaints - Full Authority One Stage	New	RDW1006 replaces LMA5302A with effect from 01 January 2027. Managing Agents may adopt it earlier (i.e., before 01 January 2027), however Managing Agents wishing to adopt early, must contact Lloyd's Australia first. The wording reflects the one stage process, i.e. review and response by the coverholder, prior to escalation to an external dispute resolution service. It is to be used in conjunction with the model binding authority wording where the coverholder has full complaints authority and managing agents are obliged to use this form of words.
19	LMA5303	RDW5303A	New Zealand Complaints - No Authority	Update	RDW5303A replaces LMA5303 with effect from 01 January 2027. Managing Agents may adopt it earlier (i.e., before 01 January 2027). The wording reflects the one stage process, i.e. review and response by managing agent, or their representative, prior to escalation to an external dispute resolution service. It is to be used in conjunction with the model binding authority wording where the coverholder has no complaints authority and managing agents are obliged to use this form of words.
20	LMA5298A	**RDW5298B**	Canadian Complaints - Full Authority Two Stage	Update	RDW5298B has been published by Lloyd's in response to the FCA reporting requirement changes, effective 01 January 2027 and replaces LMA5298A from 01 January 2027. The wording reflects the two stage process, ie review and response by managing agent, or their representative, followed by a review by Lloyd's prior to escalation to an external dispute resolution service. It is to be used in conjunction with the model binding authority wording and managing agents are obliged to use this form of words.

21	LMA5299A	**RDW5299B**	Canadian Complaints - No Authority	Update	RDW5299B has been published by Lloyd’s in response to the FCA reporting requirement changes, effective 01 January 2027 and replaces LMA5299A from 01 January 2027. The coverholder does not have authority to handle the complaint. It is to be used in conjunction with the model binding authority wording and managing agents are obliged to use this form of words.